

## Energy, Environment and Agriculture Task Force

43<sup>rd</sup> ALEC Annual Meeting | Indianapolis, IN

Thursday, July 28, 2016

2:30 - 5:30 PM

### *Tentative Agenda*

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|----------------|---|
| <b>2:30 PM</b> | <b>Call to Order, Welcome and Introductions</b><br><i>Rep. David Reis, Illinois</i><br><i>Jennifer Jura, National Rural Electric Cooperative Association</i>    |
| <b>2:35 PM</b> | <b>Open Discussion: 2016 Legislative Accomplishments and Trends</b>   |
| <b>2:55 PM</b> | <b>Presentation: Realizing the Benefits of the Direct Use of Natural Gas</b><br><i>Dan Kirschner, Northwest Gas Association</i>                                 |
| <b>3:15 PM</b> | <b>Presentation: Should Conservatives Embrace a Carbon Tax?</b><br><i>Dr. Robert P. Murphy, Institute for Energy Research</i>                                   |
| <b>3:35 PM</b> | <b>Model Policy Consideration: Resolution Concerning the Stream Protection Rule</b>   |
| <b>3:50 PM</b> | <b>Presentation: Avian Influenza: The Indiana Case Study</b><br><i>Dr. Bret D. Marsh, Indiana State Veterinarian</i>  |
| <b>4:10 PM</b> | <b>Presentation: Energy Efficiency: Saving Money and Conserving Natural Resources</b><br><i>Jeff Schlegel, Schlegel &amp; Associates</i>                        |
| <b>4:30 PM</b> | <b>Presentation: Federal Toxic Substances Control Act (TSCA) Reform: What Does it Mean for the States?</b><br><i>Rudy Underwood, American Chemistry Council</i> |
| <b>4:50 PM</b> | <b>Presentation: How EPA's New Ozone Standard Impacts the States</b><br><i>Tim Peterkoski, Marathon Petroleum</i>   |
| <b>5:10 PM</b> | <b>Model Policy Consideration: Resolution Concerning the Combined Impacts of Future EPA Regulations for Coal-Fired Power Plants</b>                             |
| <b>5:25 PM</b> | <b>For the Good of the Order</b>  |
| <b>5:30 PM</b> | <b>Adjournment</b>  |

## **Jeff Schlegel**

**Arizona Representative**

**Southwest Energy Efficiency Project**

Jeff Schlegel is SWEEP's Arizona Representative, working with environmental, consumer, and renewable energy groups in support of energy efficiency and distributed resource issues. He has more than 20 years of experience in the energy field, specializing in policy analysis, planning, evaluation and research, and program design for energy efficiency, renewable energy, and low-income energy programs. In addition to his responsibilities with SWEEP, Mr. Schlegel assists the State of Connecticut Energy Conservation Management Board, a public board overseeing energy efficiency, demand response, and low income programs in the state; the Massachusetts Energy Efficiency Collaboratives, providing policy analysis, planning, and evaluation oversight of energy efficiency and demand response programs; and the New England Demand Response Initiative (NEDRI), a 50-member stakeholder group from the six New England states in developing a comprehensive, coordinated set of demand response programs for the New England regional power markets. From July 1997 through March 2000, Mr. Schlegel served as the lead technical consultant to the California Board for Energy Efficiency (CBEE), a public advisory board that provided recommendations to the California Public Utilities Commission on energy efficiency programs in California.

## **Rudy Underwood**

**Vice President, State Affairs and Political Mobilization**

**American Chemistry Council**

As Vice President of State Affairs and Political Mobilization, Mr. Underwood helps American Chemistry Council (ACC) staff prioritize and define roles and positions on key state and local legislative proposals impacting chemicals and plastics. He also provides guidance for ACC's political engagement activities and facilitates strong relationships and synergy with independent state chemical industry councils. Previously, Mr. Underwood was the Senior Director of State Affairs in ACC's Southern Region Office where he represented the chemical and plastics industries before state legislatures in 14 southern states. He has over 30 years of experience managing public affairs, public policy and public relations issues. Prior to joining ACC, Mr. Underwood serves as the Legislative Director for the Georgia Farm Bureau Federation, worked on Capitol Hill for U.S. Senator Herman Talmadge and has directed statewide issue and candidate campaigns. Mr. Underwood received both a Bachelor and Master degree in public and organizational communications from the University of Georgia.

## **Tim Peterkoski**

**Manager, Corporate Environmental, Auditing and Processes Department**

**Marathon Petroleum Company**

Tim Peterkoski is currently the Manager of Marathon Petroleum Company's Corporate Environmental, Auditing and Processes Department where he is responsible for coordinating and providing strategic oversight of company-wide environmental programs. Previous to his current role he served as an ES&S attorney for Marathon Petroleum. Prior to joining Marathon in 2013, Tim worked as the Corporate Manager of Environmental Compliance and Policy for ArcelorMittal USA. Prior to that, he represented large industrial clients on complex environmental and safety matters as an attorney with Squire Sanders in Cleveland, Ohio. He has a B.S. in biology from Baldwin Wallace College and a J.D. from Michigan State University College of Law.



## Energy, Environment and Agriculture Task Force Meeting Speaker Biographies

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### **Dan Kirschner**

**Executive Director**

**Northwest Gas Association**

Dan Kirschner has been the Executive Director of the Northwest Gas Association (NWGA) since 2002. An expert on natural gas matters in the Pacific Northwest, Kirschner works to foster understanding among opinion leaders and informed decision-making by governing officials on issues related to natural gas in the region. Kirschner adds an MBA to his policy and public affairs experience giving him a unique perspective on the intersection of public policy and business imperatives. His duties with the NWGA include formulating and disseminating market intelligence, policy analysis on issues affecting the Northwest regional natural gas market and communicating the industry's perspective on a variety of issues to an array of stakeholders.

### **Dr. Robert P. Murphy**

**Senior Economist**

**Institute for Energy Research**

Robert P. Murphy is a Senior Economist with IER specializing in climate change. His research focuses on the estimation of the "social cost of carbon," including the proper discount rate to be used in cost-benefit analyses and the implications of structural uncertainty for policy solutions. Murphy received his Ph.D. in economics from New York University in 2003, where he wrote his dissertation on capital and interest theory. After teaching at Hillsdale College for three years, he moved to the financial sector to work as an analyst for Arthur Laffer. In addition to his role at IER, Murphy holds positions at several other free-market organizations, including Senior Fellow with the Fraser Institute, Research Fellow with the Independent Institute, and Associated Scholar with the Mises Institute. Murphy has written more than 100 articles for the layman on free-market economics and is the author of numerous books. He has also given numerous radio interviews and public lectures on economic topics.

### **Dr. Bret D. Marsh**

**Indiana State Veterinarian**

Dr. Bret Marsh serves as the Indiana State Veterinarian. He is responsible for all statewide animal health programs, as well as providing inspection services for the meat, poultry and dairy products industries. Also, Dr. Marsh is an advisor to the Indiana State Board of Veterinary Medical Examiners.

Dr. Marsh served as the Special Detail to the United States Secretary of Agriculture's Homeland Security Staff. In that role, he represented the views of the country's state veterinarians on issues affecting the nation's ability to preserve and protect its agricultural assets. Dr. Marsh recently completed a six year term as the American Veterinary Medical Association (AVMA) Treasurer. He also served in the AVMA House of Delegates for nearly a decade. Dr. Marsh is a past President of the Indiana Veterinary Medical Association (IVMA), the United States Animal Health Association (USAHA) and the Purdue Veterinary Alumni Association. He has received the Distinguished Alumnus Award from both the Purdue College of Veterinary Medicine and the Purdue College of Agriculture. He has also received the AVMA President's Award (2011), the USAHA Medal of Distinction, and the IVMA President's Award.

## Resolution Concerning the Stream Protection Rule

**WHEREAS**, the state of {state} supports reasonable, practicable and sensible efforts to improve stream protection; and

**WHEREAS**, under existing rules, 90 percent of all coal mines have no offsite impacts—and in many states 100 percent of the operations are free of any offsite impacts—according to the federal agency’s oversight reports; and

**WHEREAS**, following a five year period of development, the Office of Surface Mining Reclamation and Enforcement (OSMRE) within the U.S. Department of the Interior published a proposed rule on July 19, 2015 (80 Fed. Reg. 44435) that addressed, among other things, the protection of streams affected by surface coal mining and reclamation operations; and

**WHEREAS**, the rule exceeds OSM's statutory authority and infringes on the authority and ability of states to implement SMCRA; and

**WHEREAS, the rule imposes extensive monitoring and reclamation requirements without sound scientific justification; and**

**WHEREAS, OSM asks the U.S. Fish and Wildlife Service to take over primary responsibility for permitting mine sites by giving the Service veto authority over every mining project. Permitting mines is the jobs of OSM and state regulators, not the Fish and Wildlife service; and**

**WHEREAS**, the rule fails to recognize critical differences between Eastern and Western mining conditions; and

**WHEREAS, OSM's own internal analysis of an earlier version of the rule showed a loss of more than 7,000 high-paying jobs in 22 states. An independent analysis showed far worse impacts— with job losses approaching 80,000 people. Its impact will be felt beyond the coalfields, driving up energy costs for families and businesses; and**

**WHEREAS**, during the five year development period of these documents, states with primacy under SMCRA attempted to engage with OSMRE either as cooperating agency states under the National Environmental Policy Act (NEPA) or as state commentators on the rule; and

**WHEREAS**, nine of ten states that signed an MOU with OSM to assist in the development of accurate information to determine the need or scope of the rule terminated their participation after being subjected to a four-year blackout period of any dialogue or consultation; and

**WHEREAS**, report language accompanying the Consolidated Appropriations Act of 2016, P.L. 114-113, enacted on Dec. 18, 2015 included language requiring OSM to reengage the primacy states in a meaningful way prior to finalizing any rulemaking; and

**WHEREAS**, coal mining contributes more than \$18.5 billion annually in state and federal tax revenues. The rule would reduce annual tax revenues by 15-35 percent; and

48 **WHEREAS**, The United States possesses the largest single energy resource on the globe with over 400  
49 billion tons of demonstrated coal reserves. The proposal could sterilize 2/3ds of the recoverable reserve  
50 base. More than half the underground reserves could be rendered unrecoverable—a result at direct  
51 odds with SMCRA which finds that the regulatory policies should encourage underground mining.  
52

53 **NOW, THEREFORE, BE IT RESOLVED** that the state of {state} urges the Department of Interior to  
54 withdraw its Stream Protection Rule and fully comply with the Congressional directives to work with the  
55 states, regulated industry, and other members of the public to put forth a more appropriate proposal;  
56 and  
57

58 **BE IT FURTHER RESOLVED** that the state of {state} urges the Attorney General to engage in opposition  
59 to the rule; and  
60

61 **BE IT FURTHER RESOLVED** that the state of {state} urges Congress to pursue options to overturn the  
62 rule.  
63

DRAFT

1     **Resolution Concerning the Combined Impacts of Future EPA Regulations for Coal-Fired Power Plants**

2  
3     **WHEREAS**, the United States is blessed with abundant energy resources; and

4  
5     **WHEREAS**, it is in our national interests to have a diverse and balanced energy mix that takes full  
6 advantage of all of our energy resources; and

7  
8     **WHEREAS**, a reliable and affordable electricity supply is vital to economic growth, energy security, jobs,  
9 and the overall interests of the U.S.; and

10  
11    **WHEREAS**, a diverse and balanced electricity mix includes coal, natural gas, nuclear power, and  
12 renewable energy; and

13  
14    **WHEREAS**, in 2005, coal-fired power plants were responsible for generating 50% of U.S. electricity; and

15  
16    **WHEREAS**, in 2015, coal-fired power plants were responsible for generating 33% of U.S. electricity; and

17  
18    **WHEREAS**, the U.S. Energy Information Administration (EIA) projects that by 2040, only 18% of U.S.  
19 electricity will be generated by coal-fired power plants; and

20  
21    **WHEREAS**, more U.S. Environmental Protection Agency (EPA) regulations could be imposed on coal-fired  
22 power plants; and

23  
24    **WHEREAS**, these EPA regulations include new ambient air quality standards for ozone, fine particles,  
25 and sulfur dioxide; new rules addressing interstate transport of air pollutants; ongoing regional haze  
26 requirements; requirements for coal combustion residuals; and effluent limitation guidelines; and

27  
28    **WHEREAS**, future EPA regulations are likely to cause even less fuel diversity, higher electricity prices, the  
29 retirement of more coal-fired electric generating units, further reductions in the use of coal to produce  
30 electricity, and more harm to states that rely on coal for jobs and for reliable and affordably priced  
31 electricity; and

32  
33    **WHEREAS**, EPA does not either analyze or take into consideration the combined potential impacts of its  
34 future regulations when it develops each regulation by itself.

35  
36    **NOW, THEREFORE, BE IT RESOLVED** that the American Legislative Exchange Council urges EPA to  
37 analyze the combined potential impacts of its future regulations for coal-fired power plants and to share  
38 such analysis with all states; and

39  
40    **BE IT FURTHER RESOLVED** that EPA should minimize such impacts on the nation and each state as it  
41 develops each individual regulation; and

42  
43    **BE IT FURTHER RESOLVED** that if EPA does not analyze the combined potential impacts of its future  
44 regulations for coal-fired power plants, the U.S. Congress should take all necessary steps to ensure that  
45 EPA analyzes the combined potential impacts of such future regulations on the U.S. electricity sector,  
46 jobs, energy prices, individual states, and regions of the country and to share such analysis with all  
47 states.